Amendments to the Drawings:

The attached replacement sheet or sheets of drawings includes changes to Fig. identify amended figure number and replaces the original sheet including Fig. identify all figure numbers on the sheet.

In Figure identify amended figure number, describe amendment to figure.

Attachments following last page of this Amendment:

Replacement Sheet (number of sheets pages)
Annotated Sheet Showing Change(s) (number of sheets pages)

REMARKS

The examiner objected to claim 22 as having an improper dependency. Applicant ahs amended Claim 22 to depend from claim 21.

The examiner rejected Claim 7 under 35 U.S.C. §112 indicating that: "said first trade price" had insufficient antecedent basis for this limitation in the claim. Applicant has amended claim 7 to recite "the trade price associated with each trade."

The examiner rejected Claims 1-4,12, 23-24, 30-37 and 39, 41 under 35 U.S.C. 103(a) as being unpatentable over Vogel et al (US Patent 6944599).

Applicant's claims as amended are allowable over Vogel or Vogel in combination with Sposito. Claim 1 calls for a computer system executing a trade filtering process. Claim 1 includes a trade monitoring process for monitoring a trade price associated with each trade of a specific stock during a trading session, a trade comparison process, responsive to the trade monitoring process, for comparing the trade price of each trade of a specific stock to a known acceptable price for that specific stock to identify which trades are suspect trades and a suspect trade filtering process, responsive to the trade comparison process, for preventing the processing of suspect trades.

Vogel is directed to a Network-based transaction facility and specifically concerns automated reporting information useful to the facility for a variety of reasons including record keeping, generating statistics, calculating revenue, etc. Vogel specifically is directed to an Internet-based retailer that generates a report listing the items sold during the day and the revenue generated by the sales. An Internet-based bookstore may, for example, generate reports listing the number of books sold during the past month in a specific category or by a specific author. Such statistics are useful in assisting a purchaser with a buying decision or assisting the retailer with stocking decisions. Vogel further describes that:

> For a network-based transaction facility, such as an Internet-based auction facility, and its users, information regarding sales is particularly important for setting fees and providing price guidance to users. Fees may be set based on volume or price of the items sold for individual users. The network-based auction facility may use sales information and statistics to determine how to set fees. The network-based auction facility may further use information generated on a periodic basis to

**guide sellers in setting prices at which to sell their items or buyers in bidding for
items by indicating the average price or price range of the type of product being
sold. Thus, there is a need for accurate reporting of information.**

Applicant's invention however is directed to different concerns, namely to a trade

filtering process... associated with trades of a specific stock during a trading session. In

particular, since Vogel is only directed to reporting of information, Vogel fails to describe or

suggest ... a suspect trade filtering process, responsive to the trade comparison process, for

preventing the processing of suspect trades. Vogel does not describe this feature whether at Col.

3, lines 22-25 or elsewhere. Vogel merely describes to remove irregular entries from data

representation. However, that does not affect the processing of the auction (i.e., preventing the

processing of suspect trades) of the item in Vogel, but mere affects statistics on reporting of the

auction of the item.

Claims 2-19 further limit claim 1 and are allowable at least for the reasons discussed in

claim 1.

Claim 4 further limits claim 3 and further distinguishes over Vogel, since Vogel neither

describes nor suggests ... a price acceptability window ... that span from a specific amount

below the last known good price to a specific amount above the last known good price, with

trades that have trade prices that do not fall within the acceptable range of prices being

considered suspect trades. Vogel only teaches to determine if the price based value is greater

than a predetermined price based value, Vogel does not teach determining if the price of the

trade falls outside of a window price based value.

Claim 23 is directed to a method for preventing the processing of suspect trades, and

includes the feature of ... monitoring a trade price associated with each trade of a specific stock

during a trading session. The concept of a trading session is not disclosed in Vogel. In addition,

Vogel fails to suggest much less describe ... preventing the processing of the suspect trades, as

pointed out above for claim 1.

Claim 30 is directed to a computer program product residing on a computer readable

medium and includes the feature of instructions to prevent the processing of the suspect trades.

Claim 30 is allowable for analogous reasons as those given for claim 1.

Claims 31-35 were amended to recite different features of Applicant's invention. As such, these claims are allowable over Vogel alone because the examiner had admitted that Vogel did not address these features.

Applicant contends that these claims are also allowable over the combination of Vogel with Sposito, since the combination fails to teach instructions to determine an acceptable range of prices that span from a specific amount below the last known good price to a specific amount above the last known good price, with trades that have trade prices that do not fall within the acceptable range of prices being considered suspect trades, as in claim 31 or instructions to adjust the last known good price of the specific stock being traded to be equal to the trade price of the last non-suspect trade, as in claim 32.

Sposito fails to teach these features, since Sposito only teaches: "The owner than chooses the price at which he wishes to sell his security. At this point, the owner of the security chooses the variable points, or how many points below the current price at which he wishes to sell the security. The owner then chooses how often the computer will compute a new sell/stop price."

Thus, rather than teaching that a last known good price adjustment process for adjusting the last known good price of the specific stock being traded to be equal to the trade price of the last non-suspect trade, Sposito teaches an automated process to change the price of a stop/sell order that a trader may give to a broker, but no where does Sposito teach a last known good price adjustment process for adjusting the last known good price of the specific stock being traded to be equal to the trade price of the last non-suspect trade.

The examiner also rejected Claims 5-11,13-18, 20, 22, 25-28 and 38 are rejected under 35 U.S.C. 103(a) as being unpatentable over Vogel et al (US Patent 6944599) in view of Sposito (US Patent Application 2001/0042033).

Claim 5 is allowable over the combination of Vogel and Sposito since no combination of these references suggests ... a last known good price adjustment process for adjusting the last known good price of the specific stock being traded to be equal to the trade price of the last non-suspect trade.

The examiner admits that Vogel fails to describe this feature and relies upon Sposito to teach this feature. However, Sposito likewise fails to teach this feature, since Sposito only teaches: "The owner than chooses the price at which he wishes to sell his security. At this point, the owner of the security chooses the variable points, or how many points below the current price at which he wishes to sell the security. The owner then chooses how often the computer will compute a new sell/stop price." Thus, rather than teaching that a last known good price adjustment process for adjusting the last known good price of the specific stock being traded to be equal to the trade price of the last non-suspect trade, Sposito teaches an automated process to change the price of a stop/sell order that a trader may give to a broker, but no where does Sposito teach a last known good price adjustment process for adjusting the last known good price of the specific stock being traded to be equal to the trade price of the last non-suspect trade.

Claims 6-11 and 13-18 are allowable at least for the reasons discussed in their respective base claims.

Claim 19 further distinguishes over the combination of references, since no combination suggests that the trade monitoring process monitors a trade volume associated with each trade and includes a validity filter process for examining the trade volume ... for discarding trades whose trade volume is negative, whose trade volume is zero, whose trade price is negative, and whose trade price is zero.

Claim 20 is directed to method of preventing processing of suspect trades... comparing ... the trade price of each trade of a specific stock to a known acceptable price for that specific stock, with the acceptable price being a range of prices that span from a specific amount below to a specific amount above the last known good price, to determine which trades are suspect trades, which have trade prices that fall outside the acceptable range of prices, preventing processing of the suspect trades... adjusting the last known good price of the specific stock being traded to be equal to the trade price of the last non-suspect trade. No combination of Vogel with Sposito to teach this feature.

Vogel only teaches to determine if the price based value is greater than a predetermined price based value, Vogel does not teach determining if the price of the trade falls outside of a

window price based value and Sposito only teaches: "The result is subtracted from the last sale price, giving the adjustment factor. If the adjustment factor is greater than zero, then the process creates a new sell/stop by subtracting the adjustment factor from the last sale price. If the adjustment factor is less than, or equal to, zero, the process does nothing. If a new sell/stop number is created, the process will inform the owner of the revised sell/stop number." Hence neither reference nor any combination of these references suggests, e.g., to determine which trades are suspect trades, which have trade prices that fall outside the acceptable range of prices, preventing processing of the suspect trades... .

Claims 21, 22, 25-29 are allowable at least for the reasons discussed in claim 21.

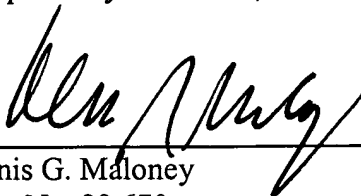Canceled claims, if any, have been canceled without prejudice or disclaimer.

Any circumstance in which the applicant has addressed certain comments of the examiner does not mean that the applicant concedes other comments of the examiner. Any circumstance in which the applicant has made arguments for the patentability of some claims does not mean that there are not other good reasons for patentability of those claims and other claims. Any circumstance in which the applicant has amended or canceled a claim does not mean that the applicant concedes any of the examiner's positions with respect to that claim or other claims.

Enclosed is a **$450** check for the Two Month Extension of Time fee. Please apply any other charges or credits to deposit account 06-1050.

Respectfully submitted,

Date: 9/6/06

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